

# Fisons to stock more ammonia

By Maurice Corina  
Industrial Editor

Fisons, Britain's major fertilizer producer, has applied for planning permission to undertake substantial expansion of its ammonia stocks tanks at Immingham, Humberside.

The move is bound to increase speculation that this is a prudent arrangement to lessen present dependence on Imperial Chemical Industries. ICI's present contract to supply half Fison's ammonia until the summer of 1981 has been rendered less valuable by the recent increase in prices ICI pay for North Sea gas.

An intriguing round of negotiations between Fisons and ICI appears inevitable in the coming months now that ICI has to face a substantial increase in natural gas costs from January 1, 1978 to 1984. Cheap North Sea gas has enabled ICI to make ammonia at an attractive price.

Industry sources say ICI may wish to use ammonia for its own nitrogen fertilizer activities to reap better margins on a new cost structure than by sustaining Fisons at an uneconomic price.

There is talk that Fisons, said to be paying £50 a ton, could face justifiable requests from ICI for up to £70 a ton from January 1.

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